

## OFFICERS

## OTHER

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? ..... Yes [ ☒ ] No [ ☐ ]

b. If no,

1. State the amendment number.....

2. Date filed .....

3. Number of pages attached.....

## EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

[illegible]



**EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

20

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

| 1<br>Name of Affiliate                 | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>Over 90 Days | 6<br>Nonadmitted | Admitted     |                  |
|--|------------------|-------------------|-------------------|-------------------|------------------|--------------|------------------|
|  |                  |                   |                   |                   |                  | 7<br>Current | 8<br>Non-Current |
| NONE                                   |                  |                   |                   |                   |                  |              |                  |
|  |                  |                   |                   |                   |                  |              |                  |
|  |                  |                   |                   |                   |                  |              |                  |
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|  |                  |                   |                   |                   |                  |              |                  |
|  |                  |                   |                   |                   |                  |              |                  |
|  |                  |                   |                   |                   |                  |              |                  |
| 0399999 Total gross amounts receivable |                  |                   |                   |                   |                  |              |                  |

## EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

## EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

| Payment Method  | 1<br>Direct Medical<br>Expense<br>Payment | 2<br>Column 1<br>as a %<br>of Total Payments | 3<br>Total<br>Members<br>Covered | 4<br>Column 3<br>as a %<br>of Total Members | 5<br>Column 1<br>Expenses Paid to<br>Affiliated Providers | 6<br>Column 1<br>Expenses Paid to<br>Non-Affiliated<br>Providers |
|---|---|--|----------------------------------|---|---|--|
| Capitation Payments:  |   |  |                                  |   |   |  |
| 1. Medical groups .....   | 218,423,606                               | 54.2   | 85,289                           | 52.1  | 218,423,606   | .0   |
| 2. Intermediaries .....   | .0  | 0.0  |                                  | 0.0   |   |  |
| 3. All other providers .....                                    | .0  | 0.0  |                                  | 0.0   |   |  |
| 4. Total capitation payments .....                              | 218,423,606                               | 54.2   | 85,289                           | 52.1  | 218,423,606   | .0   |
| Other Payments:   |   |  |                                  |   |   |  |
| 5. Fee-for-service .....  | 12,205,945                                | 3.0  | XXX                              | XXX   |   | 12,205,945   |
| 6. Contractual fee payments .....                               | 125,193,257                               | 31.0   | XXX                              | XXX   | 125,193,257   |  |
| 7. Bonus/withhold arrangements - fee-for-service .....          | .0  | 0.0  | XXX                              | XXX   |   |  |
| 8. Bonus/withhold arrangements - contractual fee payments ..... | 47,384,726                                | 11.8   | XXX                              | XXX   | 47,384,726  |  |
| 9. Non-contingent salaries .....                                | .0  | 0.0  | XXX                              | XXX   |   |  |
| 10. Aggregate cost arrangements .....                           | .0  | 0.0  | XXX                              | XXX   |   |  |
| 11. All other payments .....                                    | .0  | 0.0  | XXX                              | XXX   |   |  |
| 12. Total other payments .....                                  | 184,783,928                               | 45.8   | XXX                              | XXX   | 172,577,983   | 12,205,945   |
| 13. TOTAL (Line 4 plus Line 12)                                 | 403,207,534                               | 100%   | XXX                              | XXX   | 391,001,589   | 12,205,945   |

## EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

[illegible]

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

|             |   | 1         | 2            | 3                           | 4                               | 5                      | 6                   |
|-------------|---|-----------|--------------|-----------------------------|---------------------------------|------------------------|---------------------|
| Description |   | Cost      | Improvements | Accumulated<br>Depreciation | Book Value Less<br>Encumbrances | Assets Not<br>Admitted | Net Admitted Assets |
| 1.          | Administrative furniture and equipment .....    | 2,336,526 | 0            | 2,207,710                   | 128,816                         | 128,816                | 0                   |
| 2.          | Medical furniture, equipment and fixtures ..... |           |              |                             |                                 |                        |                     |
| 3.          | Pharmaceuticals and surgical supplies .....     |           |              |                             |                                 |                        |                     |
| 4.          | Durable medical equipment .....                 |           |              |                             |                                 |                        |                     |
| 5.          | Other property and equipment                    |           | 1,694,984    | 1,292,185                   | 402,799                         | 402,799                | 0                   |
| 6.          | Total   | 2,336,526 | 1,694,984    | 3,499,895                   | 531,615                         | 531,615                | 0                   |



ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION M-CARE 2.

| NAIC Group Code  |  | 0572        |                                    | BUSINESS IN THE STATE OF |                        | Michigan       |                | DURING THE YEAR                                     |                         |                       | 2006      |                      | (LOCATION)        |       | NAIC Company Code |  | 95449 |  |
|--|--|-------------|------------------------------------|--------------------------|------------------------|----------------|----------------|---|-------------------------|-----------------------|-----------|----------------------|-------------------|-------|-------------------|--|-------|--|
|  |  | 1           | Comprehensive (Hospital & Medical) |                          | 4                      | 5              | 6              | 7<br>Federal<br>Employees<br>Health Benefit<br>Plan | 8                       | 9                     | 10        | 11                   | 12                | 13    |                   |  |       |  |
|  |  |             | 2                                  | 3                        |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
|  |  | Total       | Individual                         | Group                    | Medicare<br>Supplement | Vision<br>Only | Dental<br>Only |   | Title XVIII<br>Medicare | Title XIX<br>Medicaid | Stop Loss | Disability<br>Income | Long-Term<br>Care | Other |                   |  |       |  |
| Total Members at end of:                                       |  |             |                                    |                          |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 1. Prior Year .....  |  | 180,882     | 333                                | 172,745                  |                        |                |                | 7,804   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 2. First Quarter .....   |  | 169,682     | 319                                | 161,730                  |                        |                |                | 7,633   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 3. Second Quarter .....  |  | 164,922     | 436                                | 156,870                  |                        |                |                | 7,616   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 4. Third Quarter .....   |  | 164,810     | 456                                | 156,756                  |                        |                |                | 7,598   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 5. Current Year  |  | 163,701     | 424                                | 155,724                  |                        |                |                | 7,553   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 6. Current Year Member Months                                  |  | 2,003,495   | 5,189                              | 1,905,867                |                        |                |                | 92,439  |                         |                       |           |                      |                   |       |                   |  |       |  |
| Total Member Ambulatory Encounters<br>for Year:                |  |             |                                    |                          |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 7. Physician .....   |  | 735,048     | 1,904                              | 699,230                  |                        |                |                | 33,914  |                         |                       |           |                      |                   |       |                   |  |       |  |
| 8. Non-Physician .....   |  | 560,463     | 1,452                              | 533,152                  |                        |                |                | 25,859  |                         |                       |           |                      |                   |       |                   |  |       |  |
| 9. Total   |  | 1,295,511   | 3,356                              | 1,232,382                | 0                      | 0              | 0              | 59,773  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |                   |  |       |  |
| 10. Hospital Patient Days Incurred                             |  | 35,675      | 92                                 | 33,937                   |                        |                |                | 1,646   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 11. Number of Inpatient Admissions                             |  | 9,600       | 25                                 | 9,132                    |                        |                |                | 443   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 12. Health Premiums Written .....                              |  | 467,807,140 | 1,206,480                          | 443,108,354              |                        |                |                | 23,492,306  |                         |                       |           |                      |                   |       |                   |  |       |  |
| 13. Life Premiums Direct                                       |  | 0           |                                    |                          |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 14. Property/Casualty Premiums Written .....                   |  | 0           |                                    |                          |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 15. Health Premiums Earned .....                               |  | 467,758,372 | 1,206,480                          | 443,108,354              |                        |                |                | 23,443,538  |                         |                       |           |                      |                   |       |                   |  |       |  |
| 16. Property/Casualty Premiums Earned                          |  | 0           |                                    |                          |                        |                |                |   |                         |                       |           |                      |                   |       |                   |  |       |  |
| 17. Amount Paid for Provision of Health<br>Care Services ..... |  | 403,207,534 | 1,034,703                          | 379,957,648              |                        |                |                | 22,215,183  |                         |                       |           |                      |                   |       |                   |  |       |  |
| 18. Amount Incurred for Provision of<br>Health Care Services   |  | 406,719,131 | 1,037,856                          | 381,115,843              |                        |                |                | 24,565,432  |                         |                       |           |                      |                   |       |                   |  |       |  |

(a) For health business: number of persons insured under PPO managed care products ..... and number of persons insured under indemnity only products .....



ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

2.

(LOCATION)

| NAIC Group Code  | BUSINESS IN THE STATE OF |                                    |             | Grand Total            |                | DURING THE YEAR |   |                         |                       | 2006      | NAIC Company Code    |                   |       |
|--|--------------------------|------------------------------------|-------------|------------------------|----------------|-----------------|---|-------------------------|-----------------------|-----------|----------------------|-------------------|-------|
|  | 1                        | Comprehensive (Hospital & Medical) |             | 4                      | 5              | 6               | 7<br>Federal<br>Employees<br>Health Benefit<br>Plan | 8                       | 9                     | 10        | 11                   | 12                | 13    |
|  |                          | 2                                  | 3           |                        |                |                 |   |                         |                       |           |                      |                   |       |
|  | Total                    | Individual                         | Group       | Medicare<br>Supplement | Vision<br>Only | Dental<br>Only  |   | Title XVIII<br>Medicare | Title XIX<br>Medicaid | Stop Loss | Disability<br>Income | Long-Term<br>Care | Other |
| <b>Total Members at end of:</b>                                    |                          |                                    |             |                        |                |                 |   |                         |                       |           |                      |                   |       |
| 1. Prior Year .....  | 180,882                  | 333                                | 172,745     | 0                      | 0              | 0               | 7,804   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 2. First Quarter .....   | 169,682                  | 319                                | 161,730     | 0                      | 0              | 0               | 7,633   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 3. Second Quarter .....  | 164,922                  | 436                                | 156,870     | 0                      | 0              | 0               | 7,616   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 4. Third Quarter .....   | 164,810                  | 456                                | 156,756     | 0                      | 0              | 0               | 7,598   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 5. Current Year .....  | 163,701                  | 424                                | 155,724     | 0                      | 0              | 0               | 7,553   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 6. Current Year Member Months                                      | 2,003,495                | 5,189                              | 1,905,867   | 0                      | 0              | 0               | 92,439  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| <b>Total Member Ambulatory Encounters<br/>for Year:</b>            |                          |                                    |             |                        |                |                 |   |                         |                       |           |                      |                   |       |
| 7. Physician .....   | 735,048                  | 1,904                              | 699,230     | 0                      | 0              | 0               | 33,914  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 8. Non-Physician .....   | 560,463                  | 1,452                              | 533,152     | 0                      | 0              | 0               | 25,859  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 9. Total .....   | 1,295,511                | 3,356                              | 1,232,382   | 0                      | 0              | 0               | 59,773  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 10. Hospital Patient Days Incurred                                 | 35,675                   | 92                                 | 33,937      | 0                      | 0              | 0               | 1,646   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 11. Number of Inpatient Admissions                                 | 9,600                    | 25                                 | 9,132       | 0                      | 0              | 0               | 443   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 12. Health Premiums Written .....                                  | 467,807,140              | 1,206,480                          | 443,108,354 | 0                      | 0              | 0               | 23,492,306  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 13. Life Premiums Direct .....                                     | 0                        | 0                                  | 0           | 0                      | 0              | 0               | 0   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 14. Property/Casualty Premiums Written .....                       | 0                        | 0                                  | 0           | 0                      | 0              | 0               | 0   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 15. Health Premiums Earned .....                                   | 467,758,372              | 1,206,480                          | 443,108,354 | 0                      | 0              | 0               | 23,443,538  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 16. Property/Casualty Premiums Earned .....                        | 0                        | 0                                  | 0           | 0                      | 0              | 0               | 0   | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 17. Amount Paid for Provision of Health<br>Care Services.....      | 403,207,534              | 1,034,703                          | 379,957,648 | 0                      | 0              | 0               | 22,215,183  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |
| 18. Amount Incurred for Provision of<br>Health Care Services ..... | 406,719,131              | 1,037,856                          | 381,115,843 | 0                      | 0              | 0               | 24,565,432  | 0                       | 0                     | 0         | 0                    | 0                 | 0     |

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0 .

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

|     |  |  |
|-----|--|--|
| 1.  | Book/adjusted carrying value, December 31, prior year  |  |
| 2.  | Increase (decrease) by adjustment:   |  |
|     | 2.1 Totals, Part 1, Column 11  |  |
|     | 2.2 Totals, Part 3, Column 7   |  |
| 3.  | Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9)) |  |
| 4.  | Cost of additions and permanent improvements:  |  |
|     | 4.1 Totals, Part 1, Column 14  |  |
|     | 4.2 Totals, Part 3, Column 9   |  |
| 5.  | Total profit (loss) on sales, Part 3, Column 14  |  |
| 6.  | Increase (decrease) by foreign exchange adjustment:  |  |
|     | 6.1 Totals, Part 1, Column 12  |  |
|     | 6.2 Totals, Part 3, Column 8   |  |
| 7.  | Amounts received on sales, Part 3, Column 11 and Part 1, Column 13   |  |
| 8.  | Book/adjusted carrying value at end of current period  |  |
| 9.  | Total valuation allowance  |  |
| 10. | Subtotal (Lines 8 plus 9)  |  |
| 11. | Total nonadmitted amounts  |  |
| 12. | Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)  |  |

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

|     |  |  |
|-----|--|--|
| 1.  | Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year          |  |
| 2.  | Amount loaned during year:   |  |
|     | 2.1. Actual cost at time of acquisitions   |  |
|     | 2.2. Additional investment made after acquisitions   |  |
| 3.  | Accrual of discount and mortgage interest points and commitment fees   |  |
| 4.  | Increase (decrease) by adjustment  |  |
| 5.  | Total profit (loss) on sale  |  |
| 6.  | Amounts paid on account or in full during the year   |  |
| 7.  | Amortization of premium  |  |
| 8.  | Increase (decrease) by foreign exchange adjustment   |  |
| 9.  | Book value/recorded investment excluding accrued interest on mortgages owned at end of current period            |  |
| 10. | Total valuation allowance  |  |
| 11. | Subtotal (Lines 9 plus 10)   |  |
| 12. | Total nonadmitted amounts  |  |
| 13. | Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) |  |

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

|     |  |           |
|-----|--|-----------|
| 1.  | Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year       | 2,036,712 |
| 2.  | Cost of acquisitions during year:  |           |
|     | 2.1. Actual cost at time of acquisitions   |           |
|     | 2.2. Additional investment made after acquisitions   | 0         |
| 3.  | Accrual of discount  |           |
| 4.  | Increase (decrease) by adjustment  | (162,784) |
| 5.  | Total profit (loss) on sale  |           |
| 6.  | Amounts paid on account or in full during the year   |           |
| 7.  | Amortization of premium  |           |
| 8.  | Increase (decrease) by foreign exchange adjustment   | 0         |
| 9.  | Book/adjusted carrying value of long-term invested assets at end of current period               | 1,873,928 |
| 10. | Total valuation allowance  |           |
| 11. | Subtotal (Lines 9 plus 10)   | 1,873,928 |
| 12. | Total nonadmitted amounts  |           |
| 13. | Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) | 1,873,928 |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation   | 1<br>1 Year or Less | 2<br>Over 1 Year<br>Through 5 Years | 3<br>Over 5 Years<br>Through 10 Years | 4<br>Over 10 Years<br>Through 20 Years | 5<br>Over 20 Years | 6<br>Total Current Year | 7<br>Col. 6 as a % of<br>Line 10.7 | 8<br>Total from Col. 6<br>Prior Year | 9<br>% From Col. 7<br>Prior Year | 10<br>Total Publicly<br>Traded | 11<br>Total Privately<br>Placed (a) |
|---|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|-------------------------------------|
| 1. U.S. Governments , Schedules D & DA (Group 1)  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 1.1 Class 1 .....   | 131,831,545         | 1,180,040                           |                                       |  |                    | 133,011,585             | 100.0                              | 40,707,460                           | 59.8                             | 133,011,585                    | 0                                   |
| 1.2 Class 2 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 1.3 Class 3 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 1.4 Class 4 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 1.5 Class 5 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 1.6 Class 6 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 1.7 Totals  | 131,831,545         | 1,180,040                           | 0                                     | 0                                      | 0                  | 133,011,585             | 100.0                              | 40,707,460                           | 59.8                             | 133,011,585                    | 0                                   |
| 2. All Other Governments , Schedules D & DA<br>(Group 2)  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 2.1 Class 1 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.2 Class 2 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.3 Class 3 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.4 Class 4 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.5 Class 5 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.6 Class 6 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 2.7 Totals  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |
| 3. States, Territories and Possessions etc.,<br>Guaranteed, Schedules D & DA (Group 3)                          |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 3.1 Class 1 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.2 Class 2 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.3 Class 3 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.4 Class 4 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.5 Class 5 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.6 Class 6 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 3.7 Totals  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |
| 4. Political Subdivisions of States, Territories and<br>Possessions , Guaranteed, Schedules D & DA<br>(Group 4) |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 4.1 Class 1 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.2 Class 2 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.3 Class 3 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.4 Class 4 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.5 Class 5 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.6 Class 6 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 4.7 Totals  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |
| 5. Special Revenue & Special Assessment Obligations<br>etc., Non-Guaranteed, Schedules D & DA<br>(Group 5)      |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 5.1 Class 1 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.2 Class 2 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.3 Class 3 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.4 Class 4 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.5 Class 5 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.6 Class 6 .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 5.7 Totals  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
**SCHEDULE D - PART 1A - SECTION 1 (continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation                                  | 1<br>1 Year or Less | 2<br>Over 1 Year<br>Through 5 Years | 3<br>Over 5 Years<br>Through 10 Years | 4<br>Over 10 Years<br>Through 20 Years | 5<br>Over 20 Years | 6<br>Total Current Year | 7<br>Col. 6 as a % of<br>Line 10.7 | 8<br>Total from Col. 6<br>Prior Year | 9<br>% From Col. 7<br>Prior Year | 10<br>Total Publicly<br>Traded | 11<br>Total Privately<br>Placed (a) |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|-------------------------------------|
| 6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)           |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 6.1 Class 1 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 2,611,149                            | 3.8                              |                                | 0                                   |
| 6.2 Class 2 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 1,657,816                            | 2.4                              |                                | 0                                   |
| 6.3 Class 3 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 6.4 Class 4 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 6.5 Class 5 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 6.6 Class 6 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 6.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 4,268,965                            | 6.3                              | 0                              | 0                                   |
| 7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 7.1 Class 1 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 18,494,310                           | 27.1                             |                                | 0                                   |
| 7.2 Class 2 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 4,652,101                            | 6.8                              |                                | 0                                   |
| 7.3 Class 3 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 7.4 Class 4 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 7.5 Class 5 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 7.6 Class 6 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 7.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 23,146,411                           | 34.0                             | 0                              | 0                                   |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8)                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 8.1 Class 1 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.2 Class 2 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.3 Class 3 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.4 Class 4 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.5 Class 5 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.6 Class 6 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 8.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |
| 9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                     |
| 9.1 Class 1 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.2 Class 2 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.3 Class 3 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.4 Class 4 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.5 Class 5 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.6 Class 6 .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                                   |
| 9.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                                   |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

|   | 1              | 2                              | 3                                | 4                                 | 5             | 6                  | 7                             | 8                               | 9                           | 10                       | 11                            |
|---|----------------|--------------------------------|----------------------------------|-----------------------------------|---------------|--------------------|-------------------------------|---------------------------------|-----------------------------|--------------------------|-------------------------------|
| Quality Rating per the NAIC Designation                   | 1 Year or Less | Over 1 Year<br>Through 5 Years | Over 5 Years<br>Through 10 Years | Over 10 Years<br>Through 20 Years | Over 20 Years | Total Current Year | Col. 6 as a % of<br>Line 10.7 | Total from Col. 6<br>Prior Year | % From Col. 7<br>Prior Year | Total Publicly<br>Traded | Total Privately<br>Placed (a) |
| 10. Total Bonds Current Year                              |                |                                |                                  |                                   |               |                    |                               |                                 |                             |                          |                               |
| 10.1 Class 1  | 131,831,545    | 1,180,040                      | .0                               | .0                                | .0            | 133,011,585        | 100.0                         | XXX                             | XXX                         | 133,011,585              | .0                            |
| 10.2 Class 2  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | XXX                             | XXX                         | .0                       | .0                            |
| 10.3 Class 3  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | XXX                             | XXX                         | .0                       | .0                            |
| 10.4 Class 4  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | XXX                             | XXX                         | .0                       | .0                            |
| 10.5 Class 5  | .0             | .0                             | .0                               | .0                                | .0            | (c) .0             | .0                            | XXX                             | XXX                         | .0                       | .0                            |
| 10.6 Class 6  | .0             | .0                             | .0                               | .0                                | .0            | (c) .0             | .0                            | XXX                             | XXX                         | .0                       | .0                            |
| 10.7 Totals   | 131,831,545    | 1,180,040                      | .0                               | .0                                | .0            | (b) 133,011,585    | 100.0                         | XXX                             | XXX                         | 133,011,585              | .0                            |
| 10.8 Line 10.7 as a % of Col. 6                           | 99.1           | 0.9                            | 0.0                              | 0.0                               | 0.0           | 100.0              | XXX                           | XXX                             | XXX                         | 100.0                    | 0.0                           |
| 11. Total Bonds Prior Year                                |                |                                |                                  |                                   |               |                    |                               |                                 |                             |                          |                               |
| 11.1 Class 1  | 60,669,195     | 1,143,724                      | .0                               | .0                                | .0            | XXX                | XXX                           | 61,812,919                      | 90.7                        | 61,812,918               | .1                            |
| 11.2 Class 2  | 6,309,917      | .0                             | .0                               | .0                                | .0            | XXX                | XXX                           | 6,309,917                       | 9.3                         | 6,309,917                | .0                            |
| 11.3 Class 3  | .0             | .0                             | .0                               | .0                                | .0            | XXX                | XXX                           | .0                              | 0.0                         | .0                       | .0                            |
| 11.4 Class 4  | .0             | .0                             | .0                               | .0                                | .0            | XXX                | XXX                           | .0                              | 0.0                         | .0                       | .0                            |
| 11.5 Class 5  | .0             | .0                             | .0                               | .0                                | .0            | XXX                | XXX                           | (c) .0                          | 0.0                         | .0                       | .0                            |
| 11.6 Class 6  | .0             | .0                             | .0                               | .0                                | .0            | XXX                | XXX                           | (c) .0                          | 0.0                         | .0                       | .0                            |
| 11.7 Totals   | 66,979,112     | 1,143,724                      | .0                               | .0                                | .0            | XXX                | XXX                           | (b) 68,122,836                  | 100.0                       | 68,122,835               | .1                            |
| 11.8 Line 11.7 as a % of Col. 8                           | 98.3           | 1.7                            | 0.0                              | 0.0                               | 0.0           | XXX                | XXX                           | 100.0                           | XXX                         | 100.0                    | 0.0                           |
| 12. Total Publicly Traded Bonds                           |                |                                |                                  |                                   |               |                    |                               |                                 |                             |                          |                               |
| 12.1 Class 1  | 131,831,545    | 1,180,040                      |                                  |                                   |               | 133,011,585        | 100.0                         | 61,812,918                      | 90.7                        | 133,011,585              | XXX                           |
| 12.2 Class 2  |                |                                |                                  |                                   |               | .0                 | .0                            | 6,309,917                       | 9.3                         | .0                       | XXX                           |
| 12.3 Class 3  |                |                                |                                  |                                   |               | .0                 | .0                            | .0                              | 0.0                         | .0                       | XXX                           |
| 12.4 Class 4  |                |                                |                                  |                                   |               | .0                 | .0                            | .0                              | 0.0                         | .0                       | XXX                           |
| 12.5 Class 5  |                |                                |                                  |                                   |               | .0                 | .0                            | .0                              | 0.0                         | .0                       | XXX                           |
| 12.6 Class 6  |                |                                |                                  |                                   |               | .0                 | .0                            | .0                              | 0.0                         | .0                       | XXX                           |
| 12.7 Totals   | 131,831,545    | 1,180,040                      | .0                               | .0                                | .0            | 133,011,585        | 100.0                         | 68,122,835                      | 100.0                       | 133,011,585              | XXX                           |
| 12.8 Line 12.7 as a % of Col. 6                           | 99.1           | .9                             | 0.0                              | 0.0                               | 0.0           | 100.0              | XXX                           | XXX                             | XXX                         | 100.0                    | XXX                           |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6,<br>Section 10 | 99.1           | 0.9                            | 0.0                              | 0.0                               | 0.0           | 100.0              | XXX                           | XXX                             | XXX                         | 100.0                    | XXX                           |
| 13. Total Privately Placed Bonds                          |                |                                |                                  |                                   |               |                    |                               |                                 |                             |                          |                               |
| 13.1 Class 1  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .1                              | 0.0                         | XXX                      | .0                            |
| 13.2 Class 2  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .0                              | 0.0                         | XXX                      | .0                            |
| 13.3 Class 3  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .0                              | 0.0                         | XXX                      | .0                            |
| 13.4 Class 4  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .0                              | 0.0                         | XXX                      | .0                            |
| 13.5 Class 5  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .0                              | 0.0                         | XXX                      | .0                            |
| 13.6 Class 6  | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .0                              | 0.0                         | XXX                      | .0                            |
| 13.7 Totals   | .0             | .0                             | .0                               | .0                                | .0            | .0                 | .0                            | .1                              | 0.0                         | XXX                      | .0                            |
| 13.8 Line 13.7 as a % of Col. 6                           | 0.0            | 0.0                            | 0.0                              | 0.0                               | 0.0           | 0.0                | XXX                           | XXX                             | XXX                         | XXX                      | 0.0                           |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6,<br>Section 10 | 0.0            | 0.0                            | 0.0                              | 0.0                               | 0.0           | 0.0                | XXX                           | XXX                             | XXX                         | XXX                      | 0.0                           |

(a) Includes \$ \_\_\_\_\_ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ \_\_\_\_\_ current year, \$ \_\_\_\_\_ prior year of bonds with Z designations and \$ \_\_\_\_\_, current year \$ \_\_\_\_\_ prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ \_\_\_\_\_ current year, \$ \_\_\_\_\_ prior year of bonds with 5\* designations and \$ \_\_\_\_\_, current year \$ \_\_\_\_\_ prior year of bonds with 6\* designations. "5\*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type   | 1<br>1 Year or Less | 2<br>Over 1 Year<br>Through 5 Years | 3<br>Over 5 Years<br>Through 10 Years | 4<br>Over 10 Years<br>Through 20 Years | 5<br>Over 20 Years | 6<br>Total Current Year | 7<br>Col. 6 as a % of<br>Line 10.7 | 8<br>Total from Col. 6 Prior<br>Year | 9<br>% From Col. 7<br>Prior Year | 10<br>Total Publicly<br>Traded | 11<br>Total Privately<br>Placed |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 1. U.S. Governments, Schedules D & DA (Group 1)  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 1.1 Issuer Obligations .....   | 131,831,545         | 1,180,040                           |                                       |  |                    | 133,011,585             | 100.0                              | 21,672,812                           | 31.8                             | 133,011,585                    | 0                               |
| 1.2 Single Class Mortgage-Backed /Asset Backed Securities .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 19,034,648                           | 27.9                             |                                | 0                               |
| 1.7 Totals   | 131,831,545         | 1,180,040                           | 0                                     | 0                                      | 0                  | 133,011,585             | 100.0                              | 40,707,460                           | 59.8                             | 133,011,585                    | 0                               |
| 2. All Other Governments, Schedules D & DA (Group 2)   |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 2.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 2.2 Single Class Mortgage-Backed /Asset Backed Securities .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 2.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 2.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES:                                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 2.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 2.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 2.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |
| 3. States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)                           |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 3.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 3.2 Single Class Mortgage-Backed /Asset Backed Securities .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 3.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 3.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES:                                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 3.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 3.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 3.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |
| 4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4) |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 4.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 4.2 Single Class Mortgage-Backed /Asset Backed Securities .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 4.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 4.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES:                                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 4.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 4.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 4.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |
| 5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)     |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 5.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 5.2 Single Class Mortgage-Backed /Asset Backed Securities .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:  |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 5.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 5.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES:                                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 5.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 5.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 5.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
**SCHEDULE D - PART 1A - SECTION 2 (continued)**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type   | 1<br>1 Year or Less | 2<br>Over 1 Year<br>Through 5 Years | 3<br>Over 5 Years<br>Through 10 Years | 4<br>Over 10 Years<br>Through 20 Years | 5<br>Over 20 Years | 6<br>Total Current Year | 7<br>Col. 6 as a % of<br>Line 10.7 | 8<br>Total from Col. 6<br>Prior Year | 9<br>% From Col. 7<br>Prior Year | 10<br>Total Publicly<br>Traded | 11<br>Total Privately<br>Placed |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 6. Public Utilities (Unaffiliated) Schedules D & DA (Group 6)              |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 6.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 4,268,965                            | 6.3                              |                                | 0                               |
| 6.2 Single Class Mortgage-Backed /Asset Backed Securities .....            |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 6.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 6.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-<br>BACKED SECURITIES:        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 6.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 6.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 6.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 4,268,965                            | 6.3                              | 0                              | 0                               |
| 7. Industrial and Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 7.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 21,485,167                           | 31.5                             |                                | 0                               |
| 7.2 Single Class Mortgage-Backed /Asset Backed Securities .....            |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 1,661,244                            | 2.4                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 7.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 7.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-<br>BACKED SECURITIES:        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 7.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 7.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 7.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 23,146,411                           | 34.0                             | 0                              | 0                               |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8)                         |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 8.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 8.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |
| 9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)         |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 9.1 Issuer Obligations .....   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 9.2 Single Class Mortgage-Backed /Asset Backed Securities .....            |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 9.3 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 9.4 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-<br>BACKED SECURITIES:        |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 9.5 Defined .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 9.6 Other .....  |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              |                                | 0                               |
| 9.7 Totals   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | 0                               |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE  
SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type   | 1<br>1 Year or Less | 2<br>Over 1 Year<br>Through 5 Years | 3<br>Over 5 Years<br>Through 10 Years | 4<br>Over 10 Years<br>Through 20 Years | 5<br>Over 20 Years | 6<br>Total Current Year | 7<br>Col. 6 as a % of<br>Line 10.7 | 8<br>Total from Col. 6 Prior<br>Year | 9<br>% From Col. 7<br>Prior Year | 10<br>Total Publicly<br>Traded | 11<br>Total Privately<br>Placed |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 10. Total Bonds Current Year                                       |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 10.1 Issuer Obligations  | 131,831,545         | 1,180,040                           | 0                                     | 0                                      | 0                  | 133,011,585             | 100.0                              | XXX                                  | XXX                              | 133,011,585                    | 0                               |
| 10.2 Single Class Mortgage-Backed /Asset Backed Securities         | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | XXX                                  | XXX                              | 0                              | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 10.3 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | XXX                                  | XXX                              | 0                              | 0                               |
| 10.4 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | XXX                                  | XXX                              | 0                              | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES: |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 10.5 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | XXX                                  | XXX                              | 0                              | 0                               |
| 10.6 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | XXX                                  | XXX                              | 0                              | 0                               |
| 10.7 Totals  | 131,831,545         | 1,180,040                           | 0                                     | 0                                      | 0                  | 133,011,585             | 100.0                              | XXX                                  | XXX                              | 133,011,585                    | 0                               |
| 10.8 Line 10.7 as a % of Col. 6                                    | 99.1                | 0.9                                 | 0.0                                   | 0.0                                    | 0.0                | 100.0                   | XXX                                | XXX                                  | XXX                              | 100.0                          | 0.0                             |
| 11. Total Bonds Prior Year   |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 11.1 Issuer Obligations  | 46,283,221          | 1,143,723                           | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 47,426,944                           | 69.6                             | 47,426,944                     | 0                               |
| 11.2 Single Class Mortgage-Backed /Asset Backed Securities         | 20,695,892          | 0                                   | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 20,695,892                           | 30.4                             | 20,695,892                     | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 11.3 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 0                                    | 0.0                              | 0                              | 0                               |
| 11.4 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 0                                    | 0.0                              | 0                              | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES: |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 11.5 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 0                                    | 0.0                              | 0                              | 0                               |
| 11.6 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 0                                    | 0.0                              | 0                              | 0                               |
| 11.7 Totals  | 66,979,113          | 1,143,723                           | 0                                     | 0                                      | 0                  | XXX                     | XXX                                | 68,122,836                           | 100.0                            | 68,122,836                     | 0                               |
| 11.8 Line 11.7 as a % of Col. 8                                    | 98.3                | 1.7                                 | 0.0                                   | 0.0                                    | 0.0                | XXX                     | XXX                                | 100.0                                | XXX                              | 100.0                          | 0.0                             |
| 12. Total Publicly Traded Bonds                                    |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 12.1 Issuer Obligations  | 131,831,545         | 1,180,040                           |                                       |  |                    | 133,011,585             | 100.0                              | 47,426,944                           | 69.6                             | 133,011,585                    | XXX                             |
| 12.2 Single Class Mortgage-Backed /Asset Backed Securities         |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 20,695,892                           | 30.4                             | 0                              | XXX                             |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 12.3 Defined   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | XXX                             |
| 12.4 Other   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | XXX                             |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES: |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 12.5 Defined   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | XXX                             |
| 12.6 Other   |                     |                                     |                                       |  |                    | 0                       | 0.0                                | 0                                    | 0.0                              | 0                              | XXX                             |
| 12.7 Totals  | 131,831,545         | 1,180,040                           | 0                                     | 0                                      | 0                  | 133,011,585             | 100.0                              | 68,122,836                           | 100.0                            | 133,011,585                    | XXX                             |
| 12.8 Line 12.7 as a % of Col. 6                                    | 99.1                | 0.9                                 | 0.0                                   | 0.0                                    | 0.0                | 100.0                   | XXX                                | XXX                                  | XXX                              | 100.0                          | XXX                             |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10             | 99.1                | 0.9                                 | 0.0                                   | 0.0                                    | 0.0                | 100.0                   | XXX                                | XXX                                  | XXX                              | 100.0                          | XXX                             |
| 13. Total Privately Placed Bonds                                   |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 13.1 Issuer Obligations  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| 13.2 Single Class Mortgage-Backed /Asset Backed Securities         | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:                |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 13.3 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| 13.4 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED<br>SECURITIES: |                     |                                     |                                       |  |                    |                         |                                    |                                      |                                  |                                |                                 |
| 13.5 Defined   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| 13.6 Other   | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| 13.7 Totals  | 0                   | 0                                   | 0                                     | 0                                      | 0                  | 0                       | 0.0                                | 0                                    | 0.0                              | XXX                            | 0                               |
| 13.8 Line 13.7 as a % of Col. 6                                    | 0.0                 | 0.0                                 | 0.0                                   | 0.0                                    | 0.0                | 0.0                     | XXX                                | XXX                                  | XXX                              | XXX                            | 0.0                             |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10             | 0.0                 | 0.0                                 | 0.0                                   | 0.0                                    | 0.0                | 0.0                     | XXX                                | XXX                                  | XXX                              | XXX                            | 0.0                             |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

| Short-Term Investments  |             |             |                |   |   |
|---|-------------|-------------|----------------|---|---|
|   | 1           | 2           | 3              | 4   | 5   |
|   | Total       | Bonds       | Mortgage Loans | Other Short-term<br>Investment Assets (a) | Investments in Parent,<br>Subsidiaries and Affiliates |
| 1. Book/adjusted carrying value, December 31 of prior year .....      | 55,552,511  | 55,552,511  | 0              | 0   | 0   |
| 2. Cost of short-term investments acquired .....                      | 541,924,431 | 541,924,431 |                |   |   |
| 3. Increase (decrease) by adjustment .....                            | (8,676,992) | (8,676,992) |                |   |   |
| 4. Increase (decrease) by foreign exchange adjustment .....           | 0           |             |                |   |   |
| 5. Total profit (loss) on disposal of short-term investments .....    | 0           |             |                |   |   |
| 6. Consideration received on disposal of short-term investments ..... | 456,968,404 | 456,968,404 |                |   |   |
| 7. Book/adjusted carrying value, current year .....                   | 131,831,546 | 131,831,546 | 0              | 0   | 0   |
| 8. Total valuation allowance .....                                    | 0           |             |                |   |   |
| 9. Subtotal (Lines 7 plus 8) .....                                    | 131,831,546 | 131,831,546 | 0              | 0   | 0   |
| 10. Total nonadmitted amounts .....                                   | 0           | 0           |                |   |   |
| 11. Statement value (Lines 9 minus 10) .....                          | 131,831,546 | 131,831,546 | 0              | 0   | 0   |
| 12. Income collected during year .....                                | 3,343,490   | 3,343,490   |                |   |   |
| 13. Income earned during year .....                                   | 3,326,494   | 3,326,494   |                |   |   |

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - VBY  
**N O N E**

Schedule DB - Part B - VBY  
**N O N E**

Schedule DB - Part C - VBY  
**N O N E**

Schedule DB - Part D - VBY  
**N O N E**

Schedule DB - Part E - VBY  
**N O N E**

Schedule DB - Part F - Section 1  
**N O N E**

Schedule DB - Part F - Section 2  
**N O N E**

Schedule S - Part 1 - Section 2  
**N O N E**

## SCHEDULE S - Part 2

[illegible]

## SCHEDULE S - PART 3 - SECTION 2

[illegible]

## ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

## SCHEDULE S - PART 4

### Reinsurance Ceded to Unauthorized Companies

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE S - PART 5

Five Year Exhibit of Reinsurance Ceded Business (000 omitted)

|  | 1<br>2006 | 2<br>2005 | 3<br>2004 | 4<br>2003 | 5<br>2002 |
|--|-----------|-----------|-----------|-----------|-----------|
| A. OPERATIONS ITEMS  |           |           |           |           |           |
| 1. Premiums .....  | 418       | 454       | 580       | 0         | 0         |
| 2. Title XVIII - Medicare .....                                      | 0         | 0         | 0         | 0         | 0         |
| 3. Title XIX - Medicaid .....  | 0         | 0         | 0         | 0         | 0         |
| 4. Commissions and reinsurance expense allowance .....               |           |           |           |           |           |
| 5. Total hospital and medical expenses .....                         |           |           |           |           |           |
| B. BALANCE SHEET ITEMS   |           |           |           |           |           |
| 6. Premiums receivable .....   |           |           |           |           |           |
| 7. Claims payable .....  | 0         | 0         | 0         | 0         | 0         |
| 8. Reinsurance recoverable on paid losses .....                      | 66        | 0         | 0         | 0         | 0         |
| 9. Experience rating refunds due or unpaid .....                     |           |           |           |           |           |
| 10. Commissions and reinsurance expense allowances<br>unpaid .....   |           |           |           |           |           |
| 11. Unauthorized reinsurance offset .....                            |           |           |           |           |           |
| C. UNAUTHORIZED REINSURANCE (DEPOSITS<br>BY AND FUNDS WITHHELD FROM) |           |           |           |           |           |
| 12. Funds deposited by and withheld from (F) .....                   | 0         | 0         | 0         | 0         | 0         |
| 13. Letters of credit (L) .....                                      | 0         | 0         | 0         | 0         | 0         |
| 14. Trust agreements (T) .....                                       | 0         | 0         | 0         | 0         | 0         |
| 15. Other (O) .....  | 0         | 0         | 0         | 0         | 0         |

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

|   | 1<br>As Reported<br>(net of ceded) | 2<br>Restatement<br>Adjustments | 3<br>Restated<br>(gross of ceded) |
|---|------------------------------------|---------------------------------|-----------------------------------|
| <b>ASSETS (Page 2, Col. 3)</b>                                      |                                    |                                 |                                   |
| 1. Cash and invested assets (Line 10) .....                         | 131,504,806                        | 23,960                          | 131,528,766                       |
| 2. Accident and health premiums due and unpaid (Line 13) .....      | 1,726,421                          |                                 | 1,726,421                         |
| 3. Amounts recoverable from reinsurers (Line 14.1) .....            | 65,993                             | (65,993)                        | 0                                 |
| 4. Net credit for ceded reinsurance .....                           | XXX                                | 42,033                          | 42,033                            |
| 5. All other admitted assets (Balance) .....                        | 2,334,850                          |                                 | 2,334,850                         |
| 6. Total assets (Line 26) .....                                     | 135,632,070                        | 0                               | 135,632,070                       |
| <b>LIABILITIES, CAPITAL AND SURPLUS (PAGE 3)</b>                    |                                    |                                 |                                   |
| 7. Claims unpaid (Line 1) .....                                     | 33,799,651                         |                                 | 33,799,651                        |
| 8. Accrued medical incentive pool and bonus payments (Line 2) ..... | 15,564,269                         |                                 | 15,564,269                        |
| 9. Premiums received in advance (Line 8) .....                      | 7,354,847                          |                                 | 7,354,847                         |
| 10. Reinsurance in unauthorized companies (Line 18) .....           | 0                                  |                                 | 0                                 |
| 11. All other liabilities (Balance) .....                           | 1,443,973                          |                                 | 1,443,973                         |
| 12. Total liabilities (Line 22) .....                               | 58,162,740                         | 0                               | 58,162,740                        |
| 13. Total capital and surplus (Line 31) .....                       | 77,469,330                         | XXX                             | 77,469,330                        |
| 14. Total liabilities, capital and surplus (Line 32) .....          | 135,632,070                        | 0                               | 135,632,070                       |
| <b>NET CREDIT FOR CEDED REINSURANCE</b>                             |                                    |                                 |                                   |
| 15. Claims unpaid .....   | 0                                  |                                 |                                   |
| 16. Accrued medical incentive pool .....                            | 0                                  |                                 |                                   |
| 17. Premiums received in advance .....                              | 0                                  |                                 |                                   |
| 18. Reinsurance recoverable on paid losses .....                    | 65,993                             |                                 |                                   |
| 19. Other ceded reinsurance recoverables .....                      | (23,960)                           |                                 |                                   |
| 20. Total ceded reinsurance recoverables .....                      | 42,033                             |                                 |                                   |
| 21. Premiums receivable .....                                       | 0                                  |                                 |                                   |
| 22. Unauthorized reinsurance .....                                  | 0                                  |                                 |                                   |
| 23. Other ceded reinsurance payables/offsets .....                  | 0                                  |                                 |                                   |
| 24. Total ceded reinsurance payables/offsets .....                  | 0                                  |                                 |                                   |
| 25. Total net credit for ceded reinsurance .....                    | 42,033                             |                                 |                                   |

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE T - PART 2

INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

|              |                                | Direct Business Only           |                                     |  |   |                           |        |
|--------------|--------------------------------|--------------------------------|-------------------------------------|--|---|---------------------------|--------|
|              |                                | 1                              | 2                                   | 3  | 4   | 5                         | 6      |
| States, Etc. |                                | Life<br>(Group and Individual) | Annuities<br>(Group and Individual) | Disability<br>Income<br>(Group and Individual) | Long-Term<br>Care<br>(Group and Individual) | Deposit-Type<br>Contracts | Totals |
| 1.           | Alabama .....                  | AL                             |                                     |  |   |                           |        |
| 2.           | Alaska .....                   | AK                             |                                     |  |   |                           |        |
| 3.           | Arizona .....                  | AZ                             |                                     |  |   |                           |        |
| 4.           | Arkansas .....                 | AR                             |                                     |  |   |                           |        |
| 5.           | California .....               | CA                             |                                     |  |   |                           |        |
| 6.           | Colorado .....                 | CO                             |                                     |  |   |                           |        |
| 7.           | Connecticut .....              | CT                             |                                     |  |   |                           |        |
| 8.           | Delaware .....                 | DE                             |                                     |  |   |                           |        |
| 9.           | District of Columbia .....     | DC                             |                                     |  |   |                           |        |
| 10.          | Florida .....                  | FL                             |                                     |  |   |                           |        |
| 11.          | Georgia .....                  | GA                             |                                     |  |   |                           |        |
| 12.          | Hawaii .....                   | HI                             |                                     |  |   |                           |        |
| 13.          | Idaho .....                    | ID                             |                                     |  |   |                           |        |
| 14.          | Illinois .....                 | IL                             |                                     |  |   |                           |        |
| 15.          | Indiana .....                  | IN                             |                                     |  |   |                           |        |
| 16.          | Iowa .....                     | IA                             |                                     |  |   |                           |        |
| 17.          | Kansas .....                   | KS                             |                                     |  |   |                           |        |
| 18.          | Kentucky .....                 | KY                             |                                     |  |   |                           |        |
| 19.          | Louisiana .....                | LA                             |                                     |  |   |                           |        |
| 20.          | Maine .....                    | ME                             |                                     |  |   |                           |        |
| 21.          | Maryland .....                 | MD                             |                                     |  |   |                           |        |
| 22.          | Massachusetts .....            | MA                             |                                     |  |   |                           |        |
| 23.          | Michigan .....                 | MI                             |                                     |  |   |                           |        |
| 24.          | Minnesota .....                | MN                             |                                     |  |   |                           |        |
| 25.          | Mississippi .....              | MS                             |                                     |  |   |                           |        |
| 26.          | Missouri .....                 | MO                             |                                     |  |   |                           |        |
| 27.          | Montana .....                  | MT                             |                                     |  |   |                           |        |
| 28.          | Nebraska .....                 | NE                             |                                     |  |   |                           |        |
| 29.          | Nevada .....                   | NV                             |                                     |  |   |                           |        |
| 30.          | New Hampshire .....            | NH                             |                                     |  |   |                           |        |
| 31.          | New Jersey .....               | NJ                             |                                     |  |   |                           |        |
| 32.          | New Mexico .....               | NM                             |                                     |  |   |                           |        |
| 33.          | New York .....                 | NY                             |                                     |  |   |                           |        |
| 34.          | North Carolina .....           | NC                             |                                     |  |   |                           |        |
| 35.          | North Dakota .....             | ND                             |                                     |  |   |                           |        |
| 36.          | Ohio .....                     | OH                             |                                     |  |   |                           |        |
| 37.          | Oklahoma .....                 | OK                             |                                     |  |   |                           |        |
| 38.          | Oregon .....                   | OR                             |                                     |  |   |                           |        |
| 39.          | Pennsylvania .....             | PA                             |                                     |  |   |                           |        |
| 40.          | Rhode Island .....             | RI                             |                                     |  |   |                           |        |
| 41.          | South Carolina .....           | SC                             |                                     |  |   |                           |        |
| 42.          | South Dakota .....             | SD                             |                                     |  |   |                           |        |
| 43.          | Tennessee .....                | TN                             |                                     |  |   |                           |        |
| 44.          | Texas .....                    | TX                             |                                     |  |   |                           |        |
| 45.          | Utah .....                     | UT                             |                                     |  |   |                           |        |
| 46.          | Vermont .....                  | VT                             |                                     |  |   |                           |        |
| 47.          | Virginia .....                 | VA                             |                                     |  |   |                           |        |
| 48.          | Washington .....               | WA                             |                                     |  |   |                           |        |
| 49.          | West Virginia .....            | WV                             |                                     |  |   |                           |        |
| 50.          | Wisconsin .....                | WI                             |                                     |  |   |                           |        |
| 51.          | Wyoming .....                  | WY                             |                                     |  |   |                           |        |
| 52.          | American Samoa .....           | AS                             |                                     |  |   |                           |        |
| 53.          | Guam .....                     | GU                             |                                     |  |   |                           |        |
| 54.          | Puerto Rico .....              | PR                             |                                     |  |   |                           |        |
| 55.          | U.S. Virgin Islands .....      | VI                             |                                     |  |   |                           |        |
| 56.          | Northern Mariana Islands ..... | MP                             |                                     |  |   |                           |        |
| 57.          | Canada .....                   | CN                             |                                     |  |   |                           |        |
| 58.          | Aggregate Other Alien .....    | OT                             |                                     |  |   |                           |        |
| 59.          | Total                          |                                |                                     |  |   |                           |        |

NONE



ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

|              |   | Responses |
|--------------|---|-----------|
| MARCH FILING |   |           |
| 1.           | Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....      | YES       |
| 2.           | Will an actuarial opinion be filed by March 1? .....  | YES       |
| 3.           | Will the Risk-based Capital Report be filed with the NAIC by March 1?.....                            | YES       |
| 4.           | Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1?..... | YES       |
| APRIL FILING |   |           |
| 5.           | Will Management's Discussion and Analysis be filed by April 1? .....                                  | YES       |
| 6.           | Will the Supplemental Investment Risks Interrogatories be filed by April 1? .....                     | YES       |
| 7.           | Will the Accident and Health Policy Experience Exhibit be filed by April 1? .....                     | YES       |





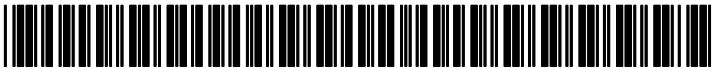



|   |  |
|---|--|
| JUNE FILING   |  |
| 8.  | Will an audited financial report be filed by June 1? ..... YES |
| The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions. |  |

|              |  |
|--------------|--|
| MARCH FILING |  |
| 9.           | Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? ..... NO                        |
| 10.          | Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC? ..... NO   |
| 11.          | Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?..... NO                                     |
| 12.          | Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?..... NO   |
| 13.          | Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?..... NO                                      |
| APRIL FILING |  |
| 14.          | Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1? ..... NO  |
| 15.          | Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC? ..... NO   |
| 16.          | Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC? ..... NO |

Explanations:

9.
10.
11.
12.
13.
14.
15.
16.

Bar Codes:

|  |  |
|--|--|
| 9.   | <br>9 5 4 4 9 2 0 0 6 3 6 0 0 0 0 0 0 |
| Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]       |  |
| 10.  | <br>9 5 4 4 9 2 0 0 6 2 0 5 0 0 0 0 0 |
| Life Supplement [Document Identifier 205]  |  |
| 11.  | <br>9 5 4 4 9 2 0 0 6 2 0 7 0 0 0 0 0 |
| Property/Casualty Supplement [Document Identifier 207]                           |  |
| 12.  | <br>9 5 4 4 9 2 0 0 6 4 2 0 0 0 0 0 0 |
| SIS Stockholder Information Supplement [Document Identifier 420]                 |  |
| 13.  | <br>9 5 4 4 9 2 0 0 6 3 6 5 0 0 0 0 0 |
| Medicare Part D Coverage Supplement [Document Identifier 365]                    |  |
| 14.  | <br>9 5 4 4 9 2 0 0 6 3 3 0 0 0 0 0 0 |
| Long-Term Care Experience Reporting Forms [Document Identifier 330]              |  |
| 15.  | <br>9 5 4 4 9 2 0 0 6 2 1 1 0 0 0 0 0 |
| Life Supplement [Document Identifier 211]  |  |
| 16.  | <br>9 5 4 4 9 2 0 0 6 2 1 3 0 0 0 0 0 |
| Property/Casualty Supplement Insurance Expense Exhibit [Document Identifier 213] |  |